Government of Kerala
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Reg. No. KL/TV/12

KERALA GAZETTE

EXTRAORDINARY

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SECRETARIAT OF THE KERALA LEGISLATURE

NOTIFICATION

No. 2900-LA4A/77. *Dated, Trivandrum, 3rd April 1977.*

The Calicut University (Amendment) Bill, 1977 together with the Statement of Objects and Reasons and the Financial Memorandum is published, under Rule 69 of the Rules of Procedure and Conduct of Business in the Kerala Legislative Assembly.

Dr. R. PRASANNAN,
Secretary,
Legislative Assembly.

PRINTED AND PUBLISHED BY THE S.G.P. AT THE GOVERNMENT PRESS,
TRIVANDRUM, 1977.

33/1032/MC

Fifth Kerala Legislative Assembly

Bill No. 5

THE CALICUT UNIVERSITY (AMENDMENT) BILL, 1977

A

BILL

further to amend the Calicut University Act, 1975.

Preamble.—WHEREAS it is expedient further to amend the Calicut University Act, 1975, for the purpose hereinafter appearing;

BE it enacted in the Twenty-eighth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Calicut University (Amendment) Act, 1977.

(2) It shall be deemed to have come into force on the 9th day of September, 1974.

2. *Amendment of section 2.*—In section 2 of the Calicut University Act, 1975 (5 of 1975) (hereinafter referred to as the principal Act), in clause (16), the following shall be inserted at the end, namely:—

> "but shall not include a college which is administered and managed by a society registered under the Societies Registration Act, 1860 (Central Act 21 of 1860) and which is a joint and co-operative enterprise of the Central Government and the Government of Kerala;".

3. *Repeal and saving.*—(1) The Calicut University (Amendment) Ordinance, 1977 (4 of 1977), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

The Regional Engineering College, Calicut, is affiliated to the Calicut University and is maintained and administered by a Society registered under the Societies Registration Act, 1860 (Central Act 21 of 1860). The cost of maintenance of the institution is met by

the Central Government and the State Government. The college was established under a scheme of the Government of India for the establishment of Regional Engineering Colleges in the country, one each in the major States, on the pattern envisaged by the Government of India. Each college is regarded as a joint and co-operative enterprise of the Central Government and the State Government concerned, having autonomy both financial and administrative, but is affiliated to a University for the purpose of giving degrees as the Regional Engineering College is not authorised to give its own degrees.

2. The High Court of Kerala in its judgment in W. A. No. 550 of 1974 has held that the Regional Engineering College Calicut, is a "private college" within the meaning of that expression as defined in section 2 (16) of the Calicut University Act, 1975, as it is not maintained either by the Government or the University.

3. If the Regional Engineering College, Calicut, is treated as a "private college" coming under the purview of the Calicut University Act, 1975, the very purpose for which it was established will be defeated and it will lose its autonomy and its all India character as envisaged in the scheme under which it was established. The Government may also have to pay the salary of the teaching and non-teaching staff if they come forward to execute the direct payment agreement. It was, therefore, considered necessary to exclude the Regional Engineering College, Calicut from the scope of the definition of "private college" in section 2 (16) of the Calicut University Act, 1975.

4. As the Legislative Assembly was not in session, the Calicut University (Amendment) Ordinance, 1977 (4 of 1977), was promulgated by the Governor on the 26th day of February, 1977, for the above purpose. The Bill seeks to replace the Ordinance by an Act of the Legislature.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any expenditure from the Consolidated Fund of the State.

C. H. MOHAMMED KOYA.

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SECRETARIAT OF THE KERALA LEGISLATURE

NOTIFICATION

No. 2915-LA4/77. *Dated, Trivandrum, 3rd April 1977.*

The Kerala Land Development Corporation Limited (Special Powers) Amendment Bill, 1977 together with the Statement of Objects and Reasons, the Financial Memorandum and the Memorandum regarding Delegated Legislation is published, under Rule 69 of the Rules of Procedure and Conduct of Business in the Kerala Legislative Assembly.

Dr. R. PRASANNAN,
Secretary,
Legislative Assembly.

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33/1034/MC.

Fifth Kerala Legislative Assembly
Bill No. 6

THE KERALA LAND DEVELOPMENT CORPORATION LIMITED (SPECIAL POWERS) AMENDMENT BILL, 1977

A

BILL

to amend the Kerala Land Development Corporation Limited (Special Powers) Act, 1974.

Preamble.—WHEREAS it is expedient to amend the Kerala Land Development Corporation Limited (Special Powers) Act, 1974, for the purposes hereinafter appearing;

BE it enacted in the Twenty-eighth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Kerala Land Development Corporation Limited (Special Powers) Amendment Act, 1977.

2. *Amendment of section 2.*—In section 2 of the Kerala Land Development Corporation Limited (Special Powers) Act, 1974 (5 of 1974) (hereinafter referred to as the principal Act),—

(i) clause (a) shall be re-lettered as clause (aa), and before clause (aa) as so re-lettered, the following clause shall be inserted, namely:—

"(a) 'appellate authority' means an officer, not below the rank of Deputy Collector, appointed by the Government to be an appellate authority for the purposes of this Act;";

(ii) for clause (c), the following clause shall be substituted, namely:—

"(c) 'Inquiring Officer' means an officer appointed as such by the Corporation or by the Government or by an officer authorised by the Government in this behalf;".

3. *Amendment of section 3.*—In section 3 of the principal Act,—

(i) in sub-section (1), clause (c) shall be omitted;

(ii) in sub-section (2), for the words "the Corporation shall appoint an officer called the Inquiring Officer", the words "the Corporation or the Government or an officer authorised by the Government in this behalf shall appoint an Inquiring Officer" shall be substituted.

4. *Amendment of section 5.*—In section 5 of the principal Act,—

(a) in sub-section (2),—

(i) in the opening paragraph, for the words "in a newspaper which, in the opinion of the Corporation, has the widest circulation in the locality", the words "in two or more newspapers having wide circulation in the locality as may be determined by the Corporation" shall be substituted;

(ii) in clause (b), the words "or within such further period not exceeding fifteen days as such officer may for sufficient reasons allow" shall be inserted at the end;

(b) sub-section (3) shall be omitted.

5. *Amendment of section 14.*—In section 14 of the principal Act,—

(a) in sub-section (1),—

(i) for clause (e), the following clause shall be substituted, namely:—

"(e) the principles of apportionment of the cost of such works;";

(ii) for clause (h), the following clause shall be substituted, namely:—

"(h) restrictions, if any, on the rights of the owners as regards the use of any such work; and";

(b) in sub-section (3), for the word "statement", the words "relevant extracts from the statement" shall be substituted;

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) Any person aggrieved by any entry in the statement prepared under sub-section (1) may file his objection to the Corporation within fifteen days of the service of the extracts under sub-section (3), and the Corporation shall, after giving such person an opportunity of being heard, decide the objection.".

6. *Insertion of new sections 14A and 14B.*—After section 14 of the principal Act, the following sections shall be inserted, namely:—

"14A. *Interim payment of cost.*—(1) Every owner benefited by any work under a scheme shall, on demand by the Corporation at any time after his land has been made fit for enjoying the benefit and before the publication of the statement under sub-section (2) of section 14, be liable to pay the estimated cost of such work, in such manner and in such number of instalments as may be specified by the Corporation.

(2) Any amount paid under sub-section (1) shall be adjusted towards the cost payable by him under section 10.

14B. *Additional liability to be apportioned among owners.*—(1) If as a result of any modification in appeal or otherwise of the statement prepared under sub-section (1) of section 14, the cost of the works under a scheme exceeds the cost specified in the statement prepared under that sub-section, the Corporation may apportion the difference among the owners of the lands benefited by the scheme in the same proportion in which the cost has been apportioned among them.

(2) The provisions of this Act shall, so far as may be, apply in relation to the amount payable under sub-section (1) as they apply in relation to the cost specified in the statement prepared under sub-section (1) of section 14.".

7. *Amendment of section 16.*—In section 16 of the principal Act,—

(a) for sub-section (1), the following sub-sections shall be substituted, namely,—

"(1) Any owner or other person liable under section 10 to pay the cost or part of the cost of any work or to pay any amount by way of contribution, who objects to such liability, or any owner or other person who is aggrieved by any decision of the Corporation under sub-section (4) of section 14 or under sub-section (3) of section 15, may, within such time as may be prescribed, appeal to the appellate authority.

(1A) On receipt of an appeal under sub-section (1), the appellate authority shall, after giving the appellant and the Corporation a reasonable opportunity of being heard either in person or by a representative, pass such order on the appeal as it deems fit.";

(b) in sub-section (2), for the words "Subordinate Judge", the words "appellate authority" shall be substituted;

(c) sub-section (3) shall be omitted.

8. *Insertion of new sections 21A and 21B.*—After section 21 of the principal Act, the following sections shall be inserted, namely:—

"21A. *Delegation of powers and functions of Corporation.*—The Corporation may delegate any of its powers and functions under this Act to the Managing Director of the Corporation or to any Committee of Directors of the Corporation consisting of two or more such Directors.

21B. *Execution of agreement for certain purposes.*—Nothing contained in this Act shall be deemed to prevent any person from entering into an agreement with the Corporation regarding payment of the cost in advance, the mode and manner of payment of the cost and interest thereon and such other matters connected therewith, and where such an agreement is executed, the matters specified therein shall be regulated in accordance with the provisions of such agreement.".

9. *Repeal and saving.*—(1) The Kerala Land Development Corporation Limited (Special Powers) Amendment Ordinance, 1977 (3 of 1977), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act, as if this Act had come into force on the 21st day of February, 1977.

STATEMENT OF OBJECTS AND REASONS

According to sub-section (1) of section 3 of the Kerala Land Development Corporation Limited (Special Powers) Act, 1974, a draft scheme prepared by the Corporation shall *inter alia* contain the names of persons who will be affected by the scheme. Since land records are not up-to-date it is very difficult to find out the identity of all persons who may be affected by the scheme and therefore the requirement that the scheme shall contain the names of such persons was causing delay in the preparation of schemes. It was therefore considered necessary to omit the provision.

2. According to sub-section (2) of section 3, the inquiring officer is to be appointed by the Corporation. It was considered necessary to make provision to enable the appointment of inquiring officer by the Government or by an officer authorised by the Government also.

3. Sub-section (2) of section 5 of the Act provides that a general notice shall be published in a newspaper which, in the opinion of the Corporation, has the widest circulation in the locality, intimating that the draft scheme can be inspected at the places referred to in sub-section (1) and requiring all persons affected by the draft scheme to submit their objections to the Inquiring Officer or to appear before him and state their objections within thirty days of the publication of the notice. In view of the proposal to omit the provision requiring the specification of the names of persons affected by a scheme in the draft scheme, it was considered that publication of the notice in a single newspaper was insufficient. It was, therefore, considered necessary, to provide that the notice should be published in two or more newspapers having wide circulation in the locality. It was also considered necessary to provide for extension of time for filing objections to the scheme or to appear before the inquiring officer to state objections.

4. Sub-section (3) of section 5 provides that separate notices inviting objections to a draft scheme shall also be served on all owners of the lands affected by the scheme. Since land records are not up-to-date to facilitate the identification of all the owners of the lands affected

by the scheme, it is a time-consuming process to serve separate notices on all such owners. It was, therefore, proposed to omit the sub-section.

5. According to section 14 of the Act, the record of rights and liabilities shall set out, among other things, the rate per hectare per annum at which the cost of the works included in a scheme is to be recovered from the owners and the rights, if any, of the owners as regards the use of the works. It was considered that it would be sufficient if the principle of apportionment of the cost of the works and the restrictions, if any, on the rights of the owners as regards the use of the works were included in the record of rights and liabilities.

6. Sub-section (3) of section 14 provides that a copy of the statement of records of rights and liabilities shall also be served on every owner of the lands included in the scheme. It was considered that it would be sufficient if the relevant extracts of the statement were served on each owner. It was also considered necessary to give an opportunity to the affected persons to file objections regarding the entries in the statement and to provide for the disposal of such objections by the Corporation after giving the concerned persons an opportunity of being heard.

7. According to section 16 of the Act, appeals from the decisions of the Corporation lie to the subordinate judge having jurisdiction over the whole or the major portion of the area in which the lands covered by the scheme are situated. It was considered desirable that such appeals should lie to an officer of the Government not below the rank of Deputy Collector.

8. It was also considered that provisions for the following purposes should be incorporated in the Act:—

(a) to make the owners of lands benefited by a scheme liable to pay interim cost, pending publication of the record of rights and liabilities, to be adjusted towards the cost payable by him;

(b) to apportion among the owners, the additional cost which may be incurred by the Corporation in the execution of a scheme, as a result of any modification in appeal or otherwise of the statement prepared under sub-section (1) of section 14;

(c) to provide for delegation of powers by the Corporation of any of its powers and functions to the Managing Director or to a Committee of Directors of the Corporation consisting of two or more Directors; and

(d) to make it clear that nothing contained in the Act shall be deemed to prevent any person from entering into an agreement with the Corporation regarding payment of cost in advance, the mode and manner of payment of cost and interest and other connected matters.

9. As the Legislative Assembly was not in session and as the amendments were of an immediate nature, the Kerala Land Development Corporation Limited (Special Powers) Amendment Ordinance, 1977 (3 of 1977), was promulgated by the Governor on the 19th February, 1977. The Bill seeks to replace the Ordinance by an Act of the Legislature.

FINANCIAL MEMORANDUM

Sub-clause (i) of clause 2 of the Bill seeks to define the expression "appellate authority" as an officer, not below the rank of Deputy Collector appointed by the Government to be an appellate authority for the purposes of the Act. Sub-section (2) of section 3 as proposed to be amended by clause 3 seeks to empower the Government or an officer authorised by the Government also to appoint an inquiring officer.

2. It is proposed to empower the Revenue Divisional Officers to perform the functions of the appellate authority in addition to their normal functions. It is also proposed to empower Government Officers to perform the functions of the inquiring officer in addition to their normal duties. Therefore, no additional expenditure will be involved by the appointment of appellate authorities and inquiring officers. However, additional expenditure will have to be incurred on account of the travelling and daily allowances of those officers. But, the additional expenditure to be incurred on this account cannot now be estimated with any degree of accuracy.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause (a) of section 2 proposed to be inserted by sub-clause (i) of clause 2 of the Bill empowers the Government to appoint an officer not below the rank of Deputy Collector to be an appellate authority. Clause (c) of section 2 proposed to be substituted by sub-clause (ii) of the said clause and sub-section (2) of section 3 as proposed to be amended by sub-clause (ii) of clause 3 provide for the appointment of inquiring officer by the Government or by an officer authorised by the Government also. Sub-section (1) of section 16 proposed to be substituted by sub-clause (a) of clause 7 empowers the Government to prescribe the time within which appeals shall be filed. Section 21A proposed to be inserted by clause 8 of the Bill empowers the Corporation to delegate its powers and functions under the Act to the

Managing Director of the Corporation or to any Committee of Directors of the Corporation consisting of two or more such Directors.

2. The above are matters of procedure and administrative detail. The delegation of legislative power is, therefore, of a normal character.

K. KARUNAKARAN.

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SECRETARIAT OF THE KERALA LEGISLATURE

NOTIFICATION

No. 2916/LA4A/77. *Dated, Trivandrum, 3rd April* 1977.

The Kerala Grandhasala Sangham (Taking over of Management) Bill, 1977 together with the Statement of Objects and Reasons, the Financial Memorandum and the Memorandum regarding Delegated Legislation is published, under Rule 69 of the Rules of Procedure and Conduct of Business in the Kerala Legislative Assembly.

DR. R. PRASANNAN,
Secretary,
Legislative Assembly.

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33/1036/MC.

Fifth Kerala Legislative Assembly

Bill No. 7

THE KERALA GRANDHASALA SANGHAM (TAKING OVER OF MANAGEMENT) BILL, 1977

A

BILL

to provide for the taking over in the public interest of the management of the undertaking of the Kerala Grandhasala Sangham, with a view to ensuring the proper working of that Sangham and for matters connected therewith or incidental thereto.

Preamble.—WHEREAS in the interest of the libraries in the State and in the public interest it is necessary to provide for the taking over of the management of the undertaking of the Kerala Grandhasala Sangham by the State for a limited period with a view to ensuring the proper working of that Sangham and for matters connected therewith or incidental thereto;

BE it enacted in the Twenty-eighth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. *Short title and commencement.*—(1) This Act may be called the Kerala Grandhasala Sangham (Taking over of Management) Act, 1977.

(2) It shall be deemed to have come into force on the 16th day of March, 1977.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) "articles of association" means the articles of association of the Grandhasala Sangham;

(b) "district committee" means a district committee constituted under article 24(a) of the articles of association;

(c) "executive committee" means the executive committee of the Grandhasala Sangham referred to in article 24 of the articles of association.

(d) "governing council" means the governing council of the Grandhasala Sangham constituted under article 24 of the articles of association;

(e) "Grandhasala Sangham" means the Kerala Grandhasala Sangham registered under the Travancore Companies Act, 1114 (IX of 1114);

(f) "notified order" means an order notified in the Gazette;

(g) "prescribed" means prescribed by rules made under this Act;

(h) "taluk union committee" means a taluk union committee referred to in clause (3) of article 38 of the articles of association;

(i) "undertaking" includes all assets, rights, leaseholds, powers, authorities and privileges and all property, movable and immovable, including lands, buildings, stores, equipments, automobiles and other vehicles, cash balances, reserve fund, investments and book debts and all other rights and interests arising out of such property as were, immediately before the date of the notified order under sub-section (1) of section 3, in the ownership, possession, power or control of the Grandhasala Sangham, and all books of account, registers and all other documents of whatever nature relating thereto.

Chapter II

TAKING OVER OF MANAGEMENT OF THE UNDERTAKING OF GRANDHASALA SANGHAM

3. *Board to take over management of the undertaking of the Grandhasala Sangham.*—(1) The Government may, by notified order, appoint a body of persons (hereinafter referred to as the 'Board of Control') to take over the management of the undertaking.

(2) The Board of Control shall consist of a Chairman and such number of other members not exceeding ten as the Government may think fit, to be appointed by the Government.

(3) The Government may, either in the notified order issued under sub-section (1) or in a subsequent order, specify that one or more of the members of the Board of Control shall be full-time member or full time members thereof.

(4) The term of office of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the Board of Control shall be such as may be prescribed.

(5) The salaries, allowances and other remuneration and the conditions of service of the members of the Board of Control shall be such as may be determined by the Government.

(6) Any notified order issued under sub-section (1) shall remain in force for such period not exceeding two years as may be specified in the order:

Provided that if the Government are of opinion that in order to secure the proper management of the undertaking it is expedient that any such notified order should continue in force after the expiry of the period specified in that order, they may, from time to time, by notification in the Gazette, extend such period by not more than six months at a time, but no such notified order shall in any case remain in force for more than five years.

4. *Effect of notified order issued under section* 3.—(1) On the issue of a notified order under section 3 appointing a Board of Control to take over the management of the undertaking,—

(a) all persons in charge of the management of the Grandhasala Sangham, including the President, Vice-President, General Secretary, Joint Secretaries and Treasurer and other members of the governing council, members of the executive committee and members of the district committees and taluk union committees shall be deemed to have vacated their offices as such;

(b) the Board of Control shall alone be entitled, notwithstanding anything contained in any law for the time being in force, to exercise all the powers of the governing council, executive committee, district committees and taluk union committees;

(c) as from the date of the notified order, the undertaking of the Grandhasala Sangham shall be deemed to be in the custody of the Board of Control who shall, as soon as may be after such date, take such steps as may be necessary to take into its possession or under its control all properties, assets and effects and all actionable claims comprised in the undertaking.

(2) Subject to the other provisions contained in this Ordinance and to the control of the Government, the Board of Control shall take such steps as may be necessary for the purpose of efficiently managing the affairs of the Grandhasala Sangham and shall exercise such other powers and have such other duties as may be prescribed.

5. *Contracts in bad faith, etc., may be cancelled or varied.*—Without prejudice to the provisions contained in section 4, the Board of Control may, with the previous approval of the Government, make an application to any court having jurisdiction in this behalf for the purpose of cancelling or varying any contract or agreement entered into at any time before the issue of the notified order under sub-section (1) of section 3, between the Grandhasala Sangham and any other person, and the court may, if satisfied after due enquiry that such

contract or agreement had been entered into in bad faith and is detrimental to the interests of the Grandhasala Sangham, make an order cancelling or varying (either unconditionally or subject to such conditions as it may think fit to impose) that contract or agreement, and the contract or agreement shall cease to have effect or, as the case may be, have effect subject to such variations.

6. *No right to compensation for termination of office.*—Notwithstanding anything contained in any law for the time being in force, no person who ceases to hold any office by reason of the provisions contained in clause (a) of sub-section (1) of section 4 shall be entitled to any compensation for the loss of office:

Provided that nothing contained in this section shall affect the right of any such person to recover from the Grandhasala Sangham moneys recoverable otherwise than by way of such compensation.

7. *Applicability of Non-trading Companies Act and articles of association.*—(1) Notwithstanding anything contained in the Non-Trading Companies Act, 1961 (42 of 1961), the articles of association of the Grandhasala Sangham shall stand suspended for the period during which the notified order under sub-section (1) of section 3 is in force.

(2) Subject to the provisions contained in sub-section (1) and to the other provisions contained in this Act and subject to such exceptions, restrictions and limitations, if any, as the Government may, by notification in the Gazette, specify in this behalf, the Non-trading Companies Act, 1961 (42 of 1961), shall continue to apply to the Grandhasala Sangham in the same manner as it applied thereto before the issue of the notified order under sub-section (1) of section 3.

8. *Conditions of service, etc., of existing employees.*—(1) Every officer or other employee employed, immediately before the date of the notified order under sub-section (1) of section 3, in connection with the affairs of the undertaking shall, during the period in which such notified order is in force, hold his office by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to gratuity and other matters as he would have held under the Grandhasala Sangham if such notified order had not been issued.

(2) Where the Grandhasala Sangham has established a provident, superannuation, welfare or any other fund for the benefit of its officers and other employees, such fund shall, with effect on and from the date of the notified order under sub-section (1) of section 3, stand transferred to, and vested in, the Board of Control.

9. *Power of Government to cancel order notified under section 3.*—If at any time it appears to the Government on the application of any member of the Grandhasala Sangham or otherwise that the purpose of the notified order

under sub-section (1) of section 3 has been fulfilled or that for any other reason it is not necessary that the order should remain in force, the Government may, by notified order, cancel such order.

Chapter III

MISCELLANEOUS

10. *Duty to deliver possession of property and documents relating thereto.*—(1) As soon as may be after the issue of the notified order under sub-section (1) of section 3, every person having possession, custody or control of any property of the Grandhasala Sangham shall deliver the property to the Board of Control or to any such person as may be authorised by the Board in this behalf.

(2) Any person who, on the commencement of this Act, has in his possession or under his control any books, documents or other papers relating to the undertaking, including any letters or other communications between him and the Grandhasala Sangham, shall, notwithstanding anything contained in any law for the time being in force, be liable to account for the said books, documents and other papers (including such letters or other communications) to the Board of Control and shall deliver them up to the Board or to any such person as may be authorised by the Board in this behalf.

(3) The Government may take all necessary steps for securing possession of all properties of the Grandhasala Sangham.

11. *Duty to furnish particulars.*—The Grandhasala Sangham shall, within ten days from the date of the notified order under sub-section (1) of section 3 or within such further period as the Government may allow in this behalf, furnish to the Board of Control a complete inventory of all the properties and assets (including particulars of booklets and investments and belongings) of the Sangham at the commencement of this Act and of all the liabilities and obligations of the Sangham subsisting at such commencement and also of all agreements entered into by the Sangham and in force at such commencement.

12. *Powers of inspection.*—(1) For the purpose of ascertaining whether any property is the property of the Grandhasala Sangham or for any other purpose mentioned in this Act or the rules made thereunder, any person authorised by the Government in this behalf shall have the right—

(a) to enter and inspect any premises;

(b) to require any person having the possession, custody or control of any register or record of the Grandhasala Sangham to produce such register or record;

(c) to require the occupier of any property belonging to, or claimed to be the property of, the Grandhasala Sangham, to submit to

the person so authorised such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary; and

(d) to examine any person having the control of, or employed in connection with, the Grandhasala Sangham and to require him to make any statement touching the affairs of the Sangham.

(2) Any person authorised by the Government under sub-section (1) shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act 45 of 1860).

13. *Penalty for false statement.*—(1) If any person—

(a) when required by this Act or by any order made under this Act to make any statement or furnish any information, makes any statement or furnishes any information which is false in any material particular and which he knows or believes to be false or does not believe to be true; or

(b) makes any such statement as aforesaid in any book, account, record, return or other document which he is required by any order made under this Act to submit,

he shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to two thousand rupees, or with both.

(2) Any person who—

(a) having in his possession, custody or control any property forming part of the assets of the Crandhasala Sangham, wrongfully withholds such property from the Board of Control; or

(b) wrongfully obtains possession of any property forming part of the assets of the Grandhasala Sangham; or

(c) wilfully withholds or fails to produce to any person authorised under this Act, any register, record or other document which may be in his possession, custody or control; or

(d) fails without any reasonable cause to submit any accounts, books or other documents when required to do so,

shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to two thousand rupees, or with both.

14. *Limitation on prosecution.*—No court shall take cognizance of an offence punishable under this Act except with the previous sanction of the Government or of an officer authorised by the Government in this behalf.

15. *Protection of action taken under the Act.*—No suit, prosecution or other legal proceedings shall lie against the Government or the Board of

Control or any member thereof or any other person for anything which is in good faith done or intended to be done under this Act.

16. *Over-riding effect of Act.*—The provisions of this Act or any rule or order made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any law other than this Act or any instrument having effect by virtue of any law other than this Act.

17. *Payment of remuneration and expenses out of the funds of Grandhasala Sangham.*—All salaries, allowances and other remuneration paid to the Chairman and other members of the Board of Control or any other person who may be appointed or employed in connection with the affairs of the management of the Grandhasala Sangham and all other expenses duly incurred in connection with such management shall be paid out of the funds of the Grandhasala Sangham.

18. *Power of Government to give directions.*—Notwithstanding anything contained in the foregoing provisions of this Act, the Government may give such directions to the Board of Control, as the Government may deem fit, for the proper management of the undertaking of the Grandhasala Sangham, and the Board of Control shall comply with such directions.

19. *Power to make rules.*—(1) The Government may, by notification in the Gazette, make rules to carry out the purposes of this Act.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before the Legislative Assembly while it is in session for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid, or the session immediately following, the Legislative Assembly makes any modification in the rule or decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

20. *Power to remove difficulties.*—If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, as occasion requires, do anything not inconsistent with the provisions of this Act which appears to them to be necessary for the purpose of removing the difficulty.

21. *Repeal and saving.*—(1) The Kerala Grandhasala Sangham (Taking over of Management) Ordinance, 1977 (5 of 1977), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act.

STATEMENT OF OBJECTS AND REASONS

The Kerala Grandhasala Sangham is an Organisation registered under the Travancore Companies Act, 1114 (Act IX of 1114 M.E.). The general administration and control of the Sangham is vested in a "governing council", the strength of which, including the President, two Vice-Presidents, one General Secretary, two Joint Secretaries and one Treasurer, is not less than eleven and not more than thirty-eight. For the administration of the Sangham under the supervision and control of the governing council there is an executive committee which consists of the President, two Vice-Presidents, one General Secretary, two Joint Secretaries, one Treasurer and four members of the governing council. The cost of administration of the Sangham is met by the Government.

2. Many complaints have been received by the Government against the working of the Kerala Grandhasala Sangham. The complainants include executive committee members of the Kerala Grandhasla Sangham, Presidents of libraries and staff members of the Kerala Grandhasala Sangham. The main allegation is that politics entered into the administration of the Sangham. There were certain allegations against the President of the Sangham also. The Government considered the question and found it necessary to take over the management of the Sangham from the Governing Body for a limited period and to make other adequate arrangements for its management.

3. As the Legislative Assembly was not in session, the Kerala Grandhasala Sangham (Taking over of Management) Ordinance, 1977, (5 of 1977) was promul- gated by the Governor on the 15th day of March, 1977, for the above purpose. The Bill seeks to replace the Ordinance by an Act of the Legislature.

FINANCIAL MEMORANDUM

According to clause 17 of the Bill, all salaries, allowances and other remuneration to the Chairman and the members of the Board of Control or any other person appointed or employed in connection with the affairs of the management of the Kerala Grandhasala Sangham and all other expenses in connection with such management shall be paid out of the funds of the Sangham. The funds of the Sangham mainly consist of grants from the Government. No additional grant will have to be paid on account of the taking over of the management of the Sangham.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 3 of the Bill seeks to empower Government to appoint, by notified order, a Board of Control to take over the management of the undertaking of the Kerala Grandhasala Sangham. According to sub-clause (2) of that clause the Board of Control shall consist of a Chairman and such number of other members not exceeding ten as the Government

may think fit, to be appointed by the Government. Sub-clause (4) of clause 3 seeks to empower the Government to prescribe the term of office of, the procedure to be followed in the discharge of their functions by, and the manner of filling up of vacancies among the members of the Board of Control. Sub-clause (5) of the said clause seeks to empower the Government to determine the salaries, allowances and other remuneration and the conditions of service of such members. The proviso to sub-clause (6) of the said clause seeks to empower the Government to extend, from time to time, by notification in the Gazette, the term of the notified order appointing the Board of Control by not more than six months at a time subject to the condition that no such notified order shall in any case remain in force for more than five years.

2. Sub-clause (2) of clause 4 seeks to empower the Government to prescribe the powers and duties of the Board of Control.

3. Sub-clause (2) of clause 7 seeks to empower the Government to specify, by notification in the Gazette, the exceptions, restrictions and limitations subject to which the Non-trading Companies Act, 1961 (42 of 1961), shall continue to apply to the Grandhasala Sangham.

4. Clause 9 seeks to empower the Government to cancel the notified order appointing the Board of Control.

5. Clause 11 seeks to empower the Government to allow further period for the Grandhasala Sangham to furnish to the Board of Control the inventory of all properties, assets, liabilities and obligations of the Sangham and of all agreements entered by it.

6. Clause 12 seeks to empower the Government to authorise any person to enter and inspect any premises, to require any person to produce registers and records etc.

7. Clause 14 seeks to empower the Government to authorise any officer to sanction prosecutions for offences under the Act.

8. Clause 18 seeks to empower the Government to give directions to the Board of Control for the proper management of the undertaking of the Grandhasala Sangham.

9. Clause 19 seeks to empower the Government to make rules to carry out the purposes of the Act.

10. The matters mentioned above are of an administrative or routine nature or matters of details. The delegation of legislative power is, therefore, of a normal character.

C. H. MOHAMMED KOYA.

2/1035/MG.

Government of Kerala
1977

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SECRETARIAT OF THE KERALA LEGISLATURE

NOTIFICATION

No. 2917/LA4/77. *Dated, Trivandrum, 3rd April, 1977.*

The Engineering Technicians' Co-operative Societies (Acquisition and Transfer of Undertakings) Bill, 1977 together with the Statement of Objects and Reasons, the Financial Memorandum and the Memorandum regarding Delegated Legislation is published, under Rule 69 of the Rules of Procedure and Conduct of Business in the Kerala Legislative Assembly.

Dr. R. PRASANNAN,

Secretary.
Legislative Assembly.

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33/1038/MC,

THE ENGINEERING TECHNICIANS' CO-OPERATIVE SOCIETIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) BILL, 1977

A

BILL

to provide for the acquisition of the undertakings of the Kerala State Engineering Technicians (Workshop) Industrial Co-operative Society Limited S. Ind (ST) No. 1 and the societies promoted by it and for matters connected therewith or incidental thereto.

Preamble.—WHEREAS the Kerala State Engineering Technicians (Workshop) Industrial Co-operative Society Ltd., S. Ind (ST) No. 1, a society deemed to be registered under the Kerala Co-operative Societies Act, 1969, with the whole of the State of Kerala as the area of its operation, and having as its object the taking up and running of industrial projects with a view to providing employment opportunities to engineers, technicians, etc., based on the concept of share-participation-cum-employment (hereinafter referred to as the ENCOS) took up the implementation of a number of industrial projects;

AND WHEREAS the ENCOS had promoted the registration of the Kerala Auto Industrial Co-operative Limited IND (EP) No. 1, Trivandrum, the Co-operative Scooters Limited IND (SP) No. 2, Alleppey and the Co-operative Foundries Limited S. IND (P) No. 46, Ottappalam (hereinafter referred to as the promoted societies) for implementing the industrial projects undertaken by the ENCOS;

AND WHEREAS the Government of Kerala and the Planning Commission which have been financing the said projects have come to the conclusion that on account of organisational, financial and managerial problems it has become impossible for the ENCOS and the promoted societies to implement the industrial projects undertaken by the ENCOS;

AND WHEREAS the functioning of the ENCOS and the promoted societies have come to a standstill on account of the financial crisis facing them and a substantial portion of the assets of the societies consisting of machinery and implements is lying idle;

AND WHEREAS the continued existence of the ENCOS and the promoted societies is causing huge losses to those societies, which are receiving financial assistance from the Government;

AND WHEREAS it is expedient in the public interest to dissolve the ENCOS and the promoted societies and to acquire their undertakings with a view to making use of the assets and other facilities of such undertakings for productive purposes;

BE it enacted in the Twenty-eighth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Engineering Technicians' Co-operative Societies (Acquisition and Transfer of Undertakings) Act, 1977.

(2) It shall be deemed to have come into force on the 17th day of March, 1977.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) "appointed day" means the date on which this Act comes into force;

(b) "Director of Industries and Commerce" means the Director of Industries and Commerce of the State of Kerala and includes any officer authorised by the Government to perform the functions of the Director of Industries and Commerce under this Act;

(c) "Engineering Technicians' Co-operative Society" or "society" means the ENCOS or any of the promoted societies;

(d) "member-employee" means an employee of a society who has taken shares in the society for the purpose of securing employment in the service of the society;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "share" means a share in the capital of the society.

3. *Undertakings of Engineering Technicians' Co-operative Societies to vest in the Government.*—On the appointed day, the undertakings of the Engineering Technicians' Co-operative Societies shall, by virtue of this Act, stand transferred to and vested in the Government, and the societies shall be deemed to have been dissolved.

4. *General effect of vesting.*—(1) The undertakings of the societies shall be deemed to include all assets, rights, powers, authorities and

privileges and all properties, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, reserve fund, investments and book debts. letters of intent, licences and all other rights and interests in, or arising out of, such property as were immediately before the appointed day in the ownership, possession, power or control of the societies in relation to their undertakings, and all books of account, registers and all other documents of whatever nature relating thereto, and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the societies in relation to their undertakings and their employees.

(2) All contracts and working arrangements which are subsisting immediately before the appointed day and affecting any of the societies shall, in so far as they relate to the undertaking of that society, cease to have effect or be enforceable against that society or any officer thereof or any person who was surety or had guaranteed the performance thereof, and shall be of as full force and effect against or in favour of the Government and may be enforced or acted upon as fully and effectually as if, instead of the society, the Government had been named or had been a party thereto.

(3) Any proceeding or cause of action pending or existing immediately before the appointed day by or against any of the societies in relation to its undertaking may, as from that day, be continued and enforced by or against the Government as it might have been enforced by or against the society if this Act had not been passed, and shall cease to be enforceable by or against the society, its officers, sureties or guarantors.

5. *Duty to deliver possession of property acquired and documents relating thereto.*—(1) Where any property has vested in the Government under this Act, every person, in whose possession or custody or under whose control the property may be, shall deliver the property forthwith to the Government or to such person as the Government may authorise in this behalf.

(2) Any person who, on the appointed day, has in his possession or under his control any books, documents or other papers relating to the undertakings of the societies which have vested in the Government under this Act, shall be liable to account for the said books, documents and papers to the Government and shall deliver them up to the Government or to such person as the Government may authorise in this behalf.

(3) The Government may take, or cause to be taken, all necessary steps for securing possession of all properties which have vested in the Government under this Act.

6. *Duty to furnish particulars.*—(1) Notwithstanding anything contained in section 7, the Government may direct the Managing Director of the ENCOS and any other officer or employee employed in connection with the affairs of the undertaking of any of the societies immediately before the appointed day to furnish to the Government within one month from the appointed day or such further period as the Government may allow in this behalf, a complete inventory of all the properties and assets of the societies on the appointed day, all the liabilities and obligations of the societies subsisting on that day and also all agreements entered into by the societies and in force on that day (including agreements, whether express or implied, relating to leave, pension, gratuity and other terms of service of officers or other employees of the societies) under which, by virtue of this Act, the Government have or will have or may have liabilities or obligations.

(2) The Managing Director of the ENCOS and the officers and employees required to furnish the inventory under sub-section (1) shall, for the period referred to in that sub-section, be entitled to the same salaries and allowances and be subject to the same conditions of service as they were entitled or subject to immediately before the appointed day.

7. *Termination of service of existing employees.*—(1) The services of every officer or other employee employed, immediately before the appointed day, in connection with the affairs of the undertaking of any of the societies, except officers and other employees of the Central Government or the Government of Kerala on deputation, shall, as from the appointed day, stand terminated.

(2) Any officer or other employee of the Central Government or the Government of Kerala deputed for employment in connection with the affairs of the undertaking of any of the societies and employed as such immediately before the appointed day shall, as from that day, revert to the service of the Central Government or the Government of Kerala, as the case may be.

(3) Notwithstanding anything to the contrary contained in the Industrial Disputes Act, 1947 (Central Act 14 of 1947) or in any other law for the time being in force, no person whose services stand terminated by virtue of sub-section (1) shall be entitled to any compensation or other payment under that Act or such other law and no claim for such compensation or payment shall be entertained by any court, tribunal or other authority.

(4) Notwithstanding anything contained in sub-section (3), every officer or other employee appointed under a contract executed by him and any of the societies, shall be paid the amount to which he is entitled under such contract.

(5) The amount payable to an officer or employee under sub-section (4) shall be paid by the Director of Industries and Commerce in cash within a period of three months from the appointed day:

Provided that if the amount is not paid within the period aforesaid, the Director of Industries and Commerce shall pay interest on the amount at the rate of four per cent per annum from the date of expiry of the said period.

8. *Payment of amount.*—(1) For the transfer under section 3, of the undertakings of the societies to the Government, there shall be paid by the Government to every shareholder of each of the societies an amount equal to the value of the shares held by him in the society immediately before the appointed day.

(2) Notwithstanding anything contained in sub-section (1), where a member-employee has obtained a loan from any bank for purchase of shares in any of the societies and the society has stood surety for such loan with interest thereon or has undertaken to recover the loan from the salary of the member-employee, the balance, if any, of the loan together with interest remaining outstanding on the appointed day shall be paid by the Government to the bank and the member-employee shall be paid only the balance after deducting the amount paid to the bank under this sub-section from the amount to which he is entitled under sub-section (1).

(3) The amount payable to a shareholder under this section shall be paid by the Director of Industries and Commerce in cash within a period of three months from the appointed day on production and surrender of valid share certificates issued by the societies:

Provided that if the amount is not paid within the period aforesaid, the Director of Industries and Commerce shall pay interest on the amount at the rate of four per cent per annum from the date of expiry of the said period.

9. *Penalties.*—(1) Any person who—

(a) having in his possession, custody or control any property forming part of the undertaking of any of the societies wrongfully withholds such properties from the Government; or

(b) wrongfully obtains possession of any property forming part of the undertaking of any of the societies, which has vested in the Government under this Act; or

(c) wilfully withholds or fails to furnish to the Government as required by sub-section (2) of section 5 any books, documents or other papers which may be in his possession, custody or control,

shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both:

Provided that the court trying any offence under clause (a) or clause (b) or clause (c) may, at the time of convicting the accused person, order him to deliver up or refund, within a time to be fixed by the court, any property or cash wrongfully withheld or obtained or any document wilfully withheld or not furnished.

(2) No court shall take congnizance of an offence punishable under this section except with the previous sanction of the Government or of an officer authorised by the Government in this behalf.

10. *Offences by companies.*—(1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) "company" means any body and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

11. *Protection of action taken in good faith.*—(1) No suit, prosecution or other legal proceedings shall lie against the Government or any officer or other person for anything which is in good faith done or intended to be done under this Act.

(2) No suit or other legal proceedings shall lie against the Government or any officer or other person for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Act.

12. *Power to make rules.*—(1) The Government may, by notification in the Gazette, make rules to carry out the provisions of this Act.

(2) Every rule made under this section shall be laid, as soon as may be after it is made, before the Legislative Assembly while it is in session for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly makes any modification in the rule or decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

13. *Repeal and saving.*—(1) The Engineering Technicians' Co-operative Societies (Acquisition and Transfer of Undertakings) Ordinance, 1977 (6 of 1977) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act.

STATEMENT OF OBJECTS AND REASONS

The Kerala State Engineering Technicians (Workshop) Industrial Co-operative Society Limited S. Ind (ST) No. 1, popularly known as ENCOS was registered for the purpose of taking up and implementing industrial projects with a view to providing employment opportunities to engineers, technicians, etc., based on the concept of share participation-cum-employment. ENCOS promoted the registration of three independent industrial co-operatives namely, the Kerala Auto Industrial Co-operative Limited, IND (EP) No.1, Trivandrum, the Co-operative Scooters Limited, IND (SP) No. 2, Alleppey and the Co-operative Foundries Limited, S. IND (P) No. 46, Ottapalam, to implement the industrial projects undertaken by it. The functioning of ENCOS and the societies promoted by it came to a standstill on account of financial and organisational crisis and a substantial portion of the assets of the societies was lying idle. The continued existence of ENCOS and the societies promoted by it was causing huge losses to those societies which were receiving financial assistance from the Government. The High Level Committee constituted by the Government to suggest a viable form of organisation and management for these units recommended to wind up the societies and to reorganise the management set up totally. The recommendation of the Committee was accepted by the Government and accordingly the Government decided to dissolve ENCOS and the societies promoted by it and to acquire their undertakings

with a view to making use of their assets and other facilities for productive purposes.

2. As the Legislative Assembly was not in session, the Engineering Technicians' Co-operative Societies (Acquisition and Transfer of Undertakings) Ordinance, 1977 (6 of 1977), was promulgated by the Governor on the 16th March, 1977, for the above purpose. The Bill seeks to replace the Ordinance by an Act of the Legislature.

FINANCIAL MEMORANDUM

Clause 3 of the Bill seeks to provide that the undertakings of the Engineering Technicians' Co-operative Societies shall stand transferred to and vested in the Government. According to sub-clause (1) of clause 4 the undertakings of the societies shall be deemed to include all assets, rights, powers, authorities and privileges and all properties, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, reserve fund, investments and book debts, letters of intent, licences and all other rights and interests in or arising out of, such property as were immediately before the appointed day in the ownership, possession, power or control of the societies in relation to their undertakings, and all books of account, registers and all other documents of whatever nature relating thereto, and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the societies in relation to their undertakings and their employees.

2. Sub-clause (2) of clause 4 seeks to provide that all contracts and working arrangements which are subsisting immediately before the appointed day and affecting any of the societies shall, in so far as they relate to the undertaking . of that society, cease to have effect or be enforceable against that society or any officer thereof or any person who was surety or had guaranteed the performance thereof, and shall be of as full force and effect against or in favour of the Government and may be enforced or acted upon as fully and effectually as if, instead of the society, the Government had been named or had been a party thereto. Sub-clause (3) of the clause seeks to provide that any proceedings or cause of action pending or existing immediately before the appointed day by or against any of the societies in relation to its undertaking may, as from that day, be continued and enforced by or against the Government and shall cease to be enforceable by or against the society, its officers, sureties or guarantors.

3. According to sub-clause (2) of clause 6 the Managing Director of the ENCOS and the officers and employees required to furnish the inventory shall for the period referred to in sub-clause (1) of that clause be entitled to the same salaries and allowances and be subject to the same conditions of service as they were entitled or subject to immediately before the appointed day.

4. Sub-clause (4) of clause 7 seeks to provide that every officer or other employee appointed under a contract executed by him and any of the societies shall be paid the amount to which he is entitled under such contract. According to the proviso to sub-clause (5) of that clause, if the amount is not paid within a period of three months from the appointed day, the Director of Industries and Commerce shall pay interest on the amount at the rate of four per cent per annum from the date of expiry of the said period.

5. Clause 8 seeks to provide that for the transfer of the undertakings of the societies to the Government, there shall be paid by the Government to every shareholder of each of the societies an amount equal to the value of the shares held by him in the society immediately before the appointed day. According to sub-clause (2) of that clause, where a member-employee has obtained a loan from any bank for purchase of shares in any of the societies and the society has stood surety for such loan with interest thereon or has undertaken to recover the loan from the salary of the member-employee, the balance, if any, of the loan together with interest remaining outstanding on the appointed day shall be paid by the Government to the bank and the member-employee shall be paid only the balance after deducting the amount paid to the bank from the amount to which he is entitled. According to the proviso to sub-clause (3) of the said clause if the amount payable under the clause is not paid within a period of three months from the appointed day the Director of Industries and Commerce shall pay interest on the amount at the rate of four per cent per annum from the date of expiry of the said period.

6. It is difficult at this stage to assess accurately the total expenditure which has to be incurred by the Government on account of the above provisions. However, it is roughly estimated that Rs. 40 lakhs would be required for the payment referred to in clause 8 and Rs. 15 lakhs towards expenditure on account of the other provisions of the Bill.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clauses (1) and (2) of clause 5 of the Bill seek to provide that properties vested in the Government and documents relating thereto shall be delivered to the Government or to such person as the Government may authorise in this behalf.

2. Sub-clause (1) of clause 6 seeks to empower the Government to direct the Managing Director, ENCOS and any other officer or employee employed in connection with the affairs of the undertaking of any of the societies to furnish to the Government within one month from the appointed day or such further period as the Government may allow in this behalf a complete inventory of all the properties and assests of the societies on the appointed day, all the liabilities and obligations of the societies subsisting on that day, etc.

3. Sub-clause (2) of clause 9 seeks to provide that no court shall take cognisance of an offence except with the previous sanction of the Government or an officer authorised by the Government in this behalf.

4. Sub-clause (1) of clause 12 seeks to empower the Government to make rules to carry out the provisions of the Act.

5. The matters mentioned above are of an administrative or routine nature or matters of procedure. The delegation of Legislative power is thus of a normal character.

K. KARUNAKARAN